



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

RQ-3

October 31, 1996

Dennis Rivera, Treasurer  
Hispanic PAC USA, Inc.  
310 West 43rd Street, 7th Floor  
New York, NY 10036

Identification Number: C00250217

Reference: July Quarterly Report (4/1/96-6/30/96)

Dear Mr. Rivera:

On October 9, 1996 you were notified that a review of the above-referenced report(s) raised questions as to specific contributions and/or expenditures, and the reporting of certain information required by the Federal Election Campaign Act.

Your October 25, 1996 response is incomplete because you have not provided all the requested information. For this response to be considered adequate, the following information is still required.

-Schedule A of your report (pertinent portion(s) attached) discloses a receipt(s) of \$5,248 from the Cisneros Reimbursement Non-Federal Account and \$9,765.50 from the Hispanic PAC. Please clarify whether this transfer(s) is from an account maintained by your committee for non-federal activity. If so, be advised that such a transfer is prohibited by 11 CFR §102.5(a)(1)(i) and the full amount of the transfer(s) should be returned to the non-federal account. Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the transfer-out. In addition, the transfer-out should be disclosed on Schedule B supporting Line 22 of your next report.

If this transaction represents an "internal transfer" of funds from one federal account to another, and the source(s) of such funds has been identified in previous reports of receipts and disbursements, please note that such transfers should not be itemized as doing so inflates total receipts and cash on hand. If this is the case, please amend your report accordingly.

Although the Commission may take further legal action regarding the acceptance of funds from a non-federal

account, your prompt transfer-out of the impermissible funds or clarification of the transaction, will be taken into consideration.

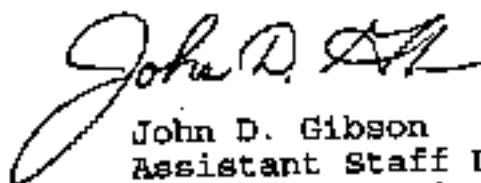
-The Commission acknowledges your correction to Schedule H4 which eliminated from that schedule the disbursements to the Ramona Martinez Senate Campaign and the Martin Luther King PAC which did not qualify as shared expenses between your federal and non-federal accounts. If your non-federal account transferred the non-federal share of those expenses to your federal account, it is necessary to transfer back to your non-federal account the total amount which was erroneously allocated as a shared expense. As previously reported, the non-federal account allocated \$2,500 for the Ramona Martinez expenditure and \$2,500 for the Martin Luther King PAC expenditure.

-On Schedule H4 supporting Line 21(a) of the Detailed Summary Page, you have failed to include the total EVENT YEAR-TO-DATE amount for a payment(s) to all vendors. Please amend your report to include the missing EVENT YEAR-TO-DATE total(s).

If this information is not received by the Commission within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Debbie Manzano on our toll-free number (800) 424-9530 or our local number (202) 219-3580.

Sincerely,



John D. Gibson  
Assistant Staff Director  
Reports Analysis Division

